

II) IN THE CLAIMS

1. (Currently amended) A method of operating a reward ~~points system~~ program in conjunction with a network, the network interconnecting with a plurality of merchant~~s~~ computers and at least one issuing bank computer associated with an issuing bank that issues a payment token~~for issuing a credit card~~ to a user, the method comprising the steps of:

- a. providing, at the issuing bank computer, a reward account database that stores a plurality of reward accounts, each of said reward accounts associated with a unique combination of a user and a merchant for tracking rewards earned by the user associated with that reward account for transactions with the merchant associated with that reward account, wherein all reward accounts associated with a particular user are accessible with a user ID of a payment token associated with that particular user regardless of which merchant is associated with that reward account,
- b. a user executing a purchase transaction with a transacting merchant associated with a transacting merchant computer selected from the plurality of merchant computers by presenting a payment token for use by the transacting merchant computer for payment of at least part of the purchase transaction;
~~b. the user presenting a token during the purchase transaction, the token having a user identification associated therewith;~~

- c. the transacting merchant computer transmitting via the computer network a transaction request comprising a user ID as obtained from the payment token;~~providing purchase transaction information to the issuing bank via the network to enable the issuing bank to add~~
- d. the issuing bank computer adding rewards~~points~~ to thea merchant reward point account in the reward account database that is associated with the transacting merchant and the user identified by the user ID;
- e. establishing on the reward account database a reward exchange account associated with the user;
- f. selecting rewards from each of a plurality of reward accounts associated with the user for exchange into the reward exchange account; and
- g. aggregating the selected rewards into the reward exchange account.

2. (Currently amended) The method of claim 1 wherein the purchase transaction is a credit card transaction, the payment token is a credit card, and the user identification number associated therewith is the user's credit card number.

3. (Currently amended) The method of claim 1 wherein the purchase transaction is a non-credit transaction, the payment token is a credit card, and the user identification number associated therewith is the user's credit card number, wherein the user may earn rewards points~~into the user's reward point account~~ associated with ~~at~~the transacting merchant and the user by presenting

the credit card to the merchant only for purposes of referencing the ~~user's reward point~~ account with the issuing bank computer.

4-11 (Cancelled).

12. (Currently amended) The method of claim 1 wherein the transacting merchant computer transmits, as part of the purchase transaction, an instruction to the issuing bank to add rewards points to the ~~merchant reward point~~ account associated with the transacting merchant and the user.

13. (Currently amended) The method of claim 1 wherein the issuing bank automatically adds rewards points to the ~~merchant reward point~~ account associated with the transacting merchant and the user based on a previously defined rule.

14. (Currently amended) The method of claim 13 wherein the previously defined rule provides for the issuing bank to automatically add ~~reward points~~ rewards to the ~~merchant reward point~~ account associated with the transacting merchant and the user based on an item purchased by the user.

15. (Currently amended) The method of claim 13 wherein the previously defined rule provides for the issuing bank to automatically add ~~reward points~~ rewards to the ~~merchant reward point~~ account associated with the transacting merchant and the user based on a purchase price of an item purchased by the user.

16. (Currently amended) The method of claim 13 wherein the previously defined rule provides for the issuing bank to automatically add ~~reward points~~rewards to the ~~merchant~~ reward ~~point~~ account associated with the transacting merchant and the user based on the geographic location of the merchant.

17. (Currently amended) The method of claim 13 wherein the previously defined rule provides for the issuing bank to automatically add ~~reward points~~rewards to the ~~merchant~~ reward ~~point~~ account associated with the transacting merchant and the user based on the date of the purchase transaction.

18. (Currently amended) The method of claim 13 wherein the previously defined rule provides for the issuing bank to automatically add ~~reward points~~rewards to the ~~merchant~~ reward ~~point~~ account associated with the transacting merchant and the user based on the time of day of the purchase transaction.

19. (Currently amended) The method of claim 1 further comprising the step of redeeming ~~reward points~~rewards from the ~~merchant~~ reward ~~point~~ account associated with the transacting merchant and the user by the steps of
the user executing a redemption purchase transaction with the transacting merchant;
presenting the payment token during the redemption purchase transaction for utilizing ~~reward points~~rewards from the ~~merchant~~ reward ~~point~~ account associated with the transacting

merchant and the user for the redemption
purchase transaction;
the issuing bank reducing the ~~merchant-reward~~
~~point~~ account associated with the transacting
merchant and the user by the amount of
~~rewardspoints~~ used in the redemption purchase
transaction.

20. (Currently amended) The method of claim 19 wherein
the user executes the redemption purchase transaction
completely with ~~reward-points~~rewards from the reward
~~point~~ account associated with the transacting merchant
and the user at the issuing bank.

21. (Currently amended) The method of claim 19 wherein
the user executes the redemption purchase transaction
partially with ~~reward-points~~rewards from the reward ~~point~~
account associated with the transacting merchant and the
user at the issuing bank and partially with other
consideration.

22. (Currently amended) The method of claim 19 wherein
the merchant transmits, as part of the redemption
purchase transaction, an instruction to the issuing bank
to subtract ~~reward-points~~rewards from the ~~merchant-reward~~
~~point~~ account associated with the transacting merchant
and the user.

23. (Currently amended) The method of claim 19 wherein
the issuing bank automatically subtracts ~~reward-~~
~~points~~rewards from the ~~merchant-reward point~~ account

associated with the transacting merchant and the user based on a previously defined rule.

24. (Currently amended) The method of claim 23 wherein the previously defined rule provides for the issuing bank to automatically subtract ~~reward points~~rewards from the ~~merchant reward point~~ account associated with the transacting merchant and the user based on an item redeemed for by the user.

25. (Currently amended) The method of claim 23 wherein the previously defined rule provides for the issuing bank to automatically subtract ~~reward points~~rewards from the ~~merchant reward point~~ account associated with the transacting merchant and the user based on a redemption purchase price of an item redeemed for by the user.

26. (Currently amended) The method of claim 23 wherein the previously defined rule provides for the issuing bank to automatically subtract ~~reward points~~rewards from the ~~merchant reward point~~ account associated with the transacting merchant and the user based on the geographic location of the merchant.

27. (Currently amended) The method of claim 23 wherein the previously defined rule provides for the issuing bank to automatically subtract ~~reward points~~rewards from the ~~merchant reward point~~ account associated with the transacting merchant and the user based on the date of the redemption purchase transaction.

28. (Currently amended) The method of claim 23 wherein the previously defined rule provides for the issuing bank to automatically subtract ~~reward points~~rewards from the ~~merchant reward point~~ account associated with the transacting merchant and the user based on the time of day of the redemption purchase transaction.

29. (Currently amended) The method of claim 1 comprising the further step of establishing a cluster of participating merchants, each of which have ~~merchant reward point~~ accounts associated with users that are established with an issuing bank.

30. (Original) The method of claim 29 comprising the further steps of allowing ~~reward points~~rewards from a reward ~~point~~ account associated with one of the participating merchants in the cluster to be redeemed with another participating merchant in the cluster.

31. (Original) The method of claim 30 comprising the further step of disallowing ~~reward points~~rewards from a reward ~~point~~ account associated with a merchant that is not a participating merchant in the cluster to be redeemed with a participating merchant in the cluster.

32. (Cancelled).

33. (Currently amended) The method of claim 132 further comprising the step of the user redeeming aggregated ~~reward points~~rewards from the user's reward ~~point~~ exchange account by the steps of

the user executing a redemption purchase transaction with a merchant;

the user indicating to the merchant that aggregated ~~reward points~~rewards from the reward ~~point~~ exchange account should be utilized for the redemption purchase transaction; and

the reward ~~point~~ exchange account being reduced by the number of aggregated ~~reward points~~rewards utilized for the redemption purchase transaction.

34. (Currently amended) The method of claim 132 comprising the further steps of:

establishing a cluster of participating merchants, each of which have merchant reward ~~point~~ accounts established with an issuing bank;

allowing aggregation of ~~reward points~~rewards from each of the participating merchants in the cluster into the user's reward ~~point~~ exchange account; and

disallowing aggregation of ~~points~~rewards from a merchant which is not a member of the cluster.

35. (Original) The method of claim 34 comprising the further step of allowing for redemption of aggregated ~~reward points~~rewards only with merchants that are members of the cluster.

36-37. (Cancelled)

38. (Currently amended) The method of claim 133 wherein ~~reward points~~rewards from an independent reward ~~point~~

system may be aggregated into the reward ~~point~~ exchange account.

39. (Currently amended) The method of claim 1 wherein the step of the merchant providing purchase transaction information to the issuing bank via the network is executed via an acquiring bank computer that is ~~part-~~
interconnected to ~~of~~ the network.

40. (Currently amended) The method of claim 1 wherein the number of ~~reward points~~rewards added to the ~~merchant~~
reward ~~point~~ account associated with the transacting merchant and the user is a percentage of a purchase price associated with the purchase transaction.

41. (Currently amended) The method of claim 1 wherein the network is a credit card network comprising a plurality of issuing bank computers, a plurality of acquiring banks computers, and a plurality of merchants computers.

42. (Original) The method of claim 1 wherein the network is a global communications network.

43. (Original) The method of claim 42 wherein the global communications network is the Internet.

44. (Original) The method of claim 1 wherein the network is a wireless network.

45. (Original) The method of claim 1 wherein the network is an interactive television network.

46. (Currently amended) The method of claim 1 wherein the user executes the purchase transaction at a physical point of sale associated with the transacting merchant, and the user physically presents the payment token to the transacting merchant computer.

47. (Currently amended) The method of claim 1 wherein the user executes the purchase transaction via a web site associated with the transacting merchant, and the user enters the user ~~identification~~-ID associated with the payment token to the web site.

48. (Currently amended) The method of claim 19 wherein the user executes the redemption purchase transaction at a physical point of sale associated with the transacting merchant and the user physically presents the payment token to the transacting merchant computer.

49. (Currently amended) The method of claim 19 wherein the user executes the redemption purchase transaction via a web site associated with the transacting merchant, and the user enters the user ~~identification~~-ID associated with the payment token to the web site.

50. (Currently amended) The method of claim ~~32~~1 wherein the user indicates the aggregation of selected ~~reward points~~rewards into the reward ~~point~~ exchange account via a web site over the Internet.

51. (Currently amended) A ~~reward points~~rewards system ~~operating on a network, the network interconnecting with~~ comprising a plurality of merchant systems computers and at least one issuing bank system computer associated with an issuing bank that issues a payment token~~for issuing a credit card~~ to a user, the plurality of merchant computers and the issuing bank computer operating on a network, wherein:

the issuing bank computer is programmed with a reward account database that stores a plurality of reward accounts, each of said reward accounts associated with a unique combination of a user and a merchant for tracking rewards earned by the user associated with that reward account for transactions with the merchant associated with that reward account, wherein all reward accounts associated with a particular user are accessible with a user ID of a payment token associated with that particular user regardless of which merchant is associated with that reward account;

a transacting merchant computer selected from the plurality of merchant computers and associated with a transacting merchant is programmed to~~each of the merchant systems comprises:~~

~~means for executing~~ execute a purchase transaction with a user who presents ~~means for accepting presentation of a payment token by a user for payment of at least part of the purchase transaction, the payment token having a user identification~~ ID associated therewith; and

transmit via the network a transaction request comprising a user ID as obtained from the payment token;

the issuing bank computer is further programmed means
~~for providing purchase transaction information to the~~
~~issuing bank system via the network to enable the issuing~~
~~bank system to add reward points~~rewards to the~~a merchant~~
~~reward point account in the reward account database that~~
is associated with the transacting merchant system~~and the~~
user identified by the user ID;

the reward account database is further programmed
with a reward exchange account associated with the user;
and

the issuing bank computer is further programmed to
select rewards from each of a plurality of reward accounts
associated with the user for exchange into the reward
exchange account and aggregate the selected rewards into
the reward exchange account.

52. (Currently amended) The system of claim 51 wherein the purchase transaction is a credit card transaction, the payment token is a credit card, and the user identification number associated therewith is the user's credit card number.

53. (Currently amended) The system of claim 51 wherein the purchase transaction is a non-credit transaction, the payment token is a credit card, and the user identification number associated therewith is the user's credit card number, wherein the user may earn ~~reward~~
~~points~~rewards into the ~~user's~~ ~~reward point~~ account associated with ~~the transacting merchant system~~ by

presenting the credit card to the merchant ~~system~~ only for purposes of referencing the ~~user's~~ reward point account with the issuing bank computer ~~system~~.

54-61 (Cancelled).

62. (Currently amended) The system of claim 51 wherein the transacting merchant computer is further programmed to transmit means for providing purchase transaction information to the issuing bank system via the network to enable the issuing bank system to add reward points to a merchant reward point account associated with the merchant system and the user comprises means for transmitting an instruction to the issuing bank computersystem to add reward pointsrewards to the merchant reward point account associated with the transacting merchant system and the user.

63. (Currently amended) The system of claim 51 wherein the issuing bank computer is further programmed to system ~~comprises means for automatically adding reward pointsrewards~~ to the merchant reward point account associated with the transacting merchant system and the user based on a previously defined rule.

64. (Currently amended) The system of claim 63 wherein the previously defined rule provides for the issuing bank system computer to automatically add reward pointsrewards to the merchant reward point account associated with the transacting merchant system and the user based on an item purchased by the user.

65. (Currently amended) The system of claim 63 wherein the previously defined rule provides for the issuing bank ~~system~~ computer to automatically add ~~reward points~~ rewards to the ~~merchant~~ reward point account associated with the transacting merchant system and the user based on a purchase price of an item purchased by the user.

66. (Currently amended) The system of claim 63 wherein the previously defined rule provides for the issuing bank ~~computersystem~~ to automatically add ~~reward points~~ rewards to the ~~merchant~~ reward point account associated with the transacting merchant system and the user based on the geographic location of the merchant.

67. (Currently amended) The system of claim 63 wherein the previously defined rule provides for the issuing bank ~~system~~ computer to automatically add ~~reward points~~ rewards to the ~~merchant~~ reward point account associated with the transacting merchant system and the user based on the date of the purchase transaction.

68. (Currently amended) The system of claim 63 wherein the previously defined rule provides for the issuing bank ~~system~~ computer to automatically add ~~reward points~~ rewards to the ~~merchant~~ reward point account associated with the transacting merchant system and the user based on the time of day of the purchase transaction.

69. (Currently amended) The system of claim 51 wherein the transacting merchant system ~~computer~~ is further programmed to ~~comprises~~:

~~means for executing~~execute a redemption purchase transaction with the user;

~~means for accepting~~accept presentation of a payment token by a user for payment of the redemption purchase transaction, the payment token having a user identification associated therewith; and

~~means for providing~~provide redemption purchase transaction information to the issuing bank ~~system~~computer via the network to enable the issuing bank ~~system~~computer to subtract, from a ~~merchant reward point~~ account associated with the transacting merchant system and the user, the number of rewards points used in the redemption purchase transaction.

70. (Currently amended) The system of claim 69 wherein the user executes the redemption purchase transaction completely with ~~reward points~~rewards from the reward ~~point~~ account associated with the transacting merchant and the user at the issuing bank system.

71. (Currently amended) The system of claim 69 wherein the user executes the redemption transaction partially with ~~reward points~~rewards from the reward ~~point~~ account associated with the transacting merchant and the user at the issuing bank system and partially with other consideration.

72. (Currently amended) The system of claim 69 wherein the transacting merchant computer is further programmed

~~to transmit the means for providing redemption purchase transaction information to the issuing bank system~~
~~comprises means for transmitting, as part of the redemption purchase transaction, an instruction to the issuing bank system computer to subtract reward points~~
rewards from the ~~merchant reward point~~ account associated with the transacting merchant system and the user.

73. (Currently amended) The system of claim 69 wherein the issuing bank computer is further programmed to system
~~comprises means for automatically subtracting reward points~~
rewards from the ~~merchant reward point~~ account associated with the transacting merchant system and the user based on a previously defined rule.

74. (Currently amended) The system of claim 73 wherein the previously defined rule provides for the issuing bank system computer to automatically subtract ~~reward points~~
rewards from the ~~merchant reward point~~ account associated with the transacting merchant system and the user based on an item redeemed for by the user.

75. (Currently amended) The system of claim 73 wherein the previously defined rule provides for the issuing bank system computer to automatically subtract ~~reward points~~
rewards from the ~~merchant reward point~~ account associated with the transacting merchant system and the user based on a redemption purchase price of an item redeemed for by the user.

76. (Currently amended) The system of claim 73 wherein the previously defined rule provides for the issuing bank ~~system~~computer to automatically subtract ~~reward~~points~~rewards~~ from the ~~merchant~~reward point account associated with the transacting merchant ~~system~~ and the user based on the geographic location of the merchant.

77. (Currently amended) The system of claim 73 wherein the previously defined rule provides for the issuing bank ~~system~~computer to automatically subtract ~~reward~~points~~rewards~~ from the ~~merchant~~reward point account associated with the transacting merchant ~~system~~ and the user based on the date of the redemption purchase transaction.

78. (Currently amended) The system of claim 73 wherein the previously defined rule provides for the issuing bank ~~system~~computer to automatically subtract ~~reward~~points~~rewards~~ from the ~~merchant~~reward point account associated with the transacting merchant ~~system~~ and the user based on the time of day of the redemption purchase transaction.

79. (Currently amended) The system of claim 51 in which a cluster of participating merchants is established, each of which have ~~merchant~~reward point accounts associated with the user established with ~~an~~the issuing bank computer.

80. (Original) The system of claim 79 in which ~~reward~~points~~rewards~~ from a ~~reward point~~ account associated with one of the participating merchants in the cluster may be

redeemed with another participating merchant in the cluster.

81. (Original) The system of claim 80 in which ~~reward~~
~~points~~rewards from a reward ~~point~~ account associated with
a merchant that is not a participating merchant in the
cluster may not be redeemed with a participating merchant
in the cluster.

82-91. (Cancelled).

92. (Original) The system of claim 51 wherein the network
is a global communications network.

93. (Original) The system of claim 92 wherein the global
communications network is the Internet.

94. (Original) The system of claim 51 wherein the network
is a wireless network.

95. (Original) The system of claim 51 wherein the network
is an interactive television network.

96-100. (Cancelled).